



## Memorandum

**To:**  
RIHUI ZHANG  
CHIEF  
DIVISION OF LOCAL ASSISTANCE

**Date:** January 13, 2020

**File:** P1594-0102

**From:**  
MARSUE MORRILL, CPA  
CHIEF  
INDEPENDENT OFFICE OF AUDITS AND INVESTIGATIONS  
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**SUBJECT: INDIRECT COST RATE PROPOSAL AUDIT-GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT**

At the request of the Independent Office of Audits and Investigations the Department of Finance, Office of Audits and Evaluations (Finance) completed an audit of the Golden Gate Bridge Highway and Transportation District's (District) Indirect Cost Rate Proposal (ICRP) for fiscal year (FY) 2018/19. The purpose of the audit was to determine whether the ICRP and District Wide Cost Allocation Plan (DWCAP) were presented in accordance with Title 2 Code of Federal Regulations (CFR) Part 200, and the California Department of Transportation's Local Assistance Procedures Manual (LAPM).

Based on the audit, Finance identified weaknesses in the District's FY 2018/19 ICRP and the DWCAP that were not in compliance with 2 CFR 200 and the LAPM. The finding did not significantly impact the City's accepted ICRP rate; therefore, no changes to the ICRP rate was calculated.

Please provide our office with a corrective action plan, including time lines, by March 13, 2020.

If you have any questions, please contact Luisa Ruvalcaba, Audit Manager, by email at [luisa.ruvalcaba@dot.ca.gov](mailto:luisa.ruvalcaba@dot.ca.gov).

Attachment

- c: Joe Wire, Chief Financial Officer/Auditor-Controller, Golden Gate Bridge Highway and Transportation District  
Rodney Whitfield, Director of Financial Services, Federal Highway Administration  
Veneshia Smith, Financial Program Manager, Federal Highway Administration  
William Lewis, Assistant Director, Independent Office of Audits and Investigations  
Tony Tavares, District Director, District 4, California Department of Transportation  
Jean-Finney, Deputy District 4 Director, Transportation Planning and Local Assistance, California Department of Transportation  
Felicia Haslem, Acting Chief, Office of Guidance and Oversight, Division of Local Assistance, California Department of Transportation  
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Paula Bersola, Audit Coordinator, Division of Local Assistance, California Department of Transportation  
Lisa Gore, Associate Accounting Analyst, Division of Accounting, California Department of Transportation  
Luisa Ruvalcaba, Audit Manager, Planning and Modal Office, Independent Office of Audits & Investigations

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